

STATE OF INDIANA  
DEPARTMENT OF LOCAL GOVERNMENT FINANCE  
Indiana Government Center North Room 1058(B)  
Indianapolis, Indiana 46204

IN THE MATTER OF TAX REQUEST OF )  
WARRICK COUNTY SCHOOL CORPORATION )  
(WARRICK COUNTY) FOR APPROVAL OF A LEASE )  
WITH WARRICK COUNTY, INDIANA - CASTLE )  
MIDDLE SCHOOL BUILDING CORPORATION )

No. 07-032

A petition was filed on behalf of Warrick County School Corporation for approval of a lease with the Warrick County, Indiana - Castle Middle School Building Corporation providing for the lease of a school building for a term of fourteen (14) years at an annual lease rental of \$6,348,000 commencing on the day the school building is completed and ready for occupancy or June 30, 2009, whichever is later. The lease includes an option to purchase such building.

The Department of Local Government Finance ("Department"), pursuant to Executive Order 05-19, has reviewed the proposed lease and the Project, and has applied the guidance set forth in the Guidance for Review of School Building Project Financing and the factors set forth in I.C. 20-46-7-11. The school has complied with the appropriate provisions of I.C. 6-1.1-20 and I.C. 20-46-7-8. After careful consideration of all facts, the Department of Local Government Finance takes the following action:

FINDINGS:

1. Warrick County School Corporation is located in Warrick County, Indiana and the school board is the duly organized entity responsible for the establishment and operation of Warrick County School Corporation, Warrick County.
2. The purpose of this lease rental agreement is to construct a new Castle Middle School.
3. The total project cost, as presented to the Department, is \$30,000,000.
4. School officials properly advertised and held a notice of preliminary determination hearing on April 16, 2007.
5. Taxpayers did not file an application for petition and remonstrance process.
6. Capital project funds are not available for this project.
7. The persistence to graduation rate for this school district is at eighty percent (80%) and the graduation rate is at eighty-three percent (83%).
8. The school's debt to assessed value ratio is one and twenty-nine hundredths percent (1.29%), prior to this project.

9. The Department grants modified approval below for the project so long as it shall not exceed a total project cost of \$27,085,000.

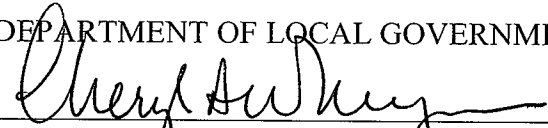
Based on the above findings, it is therefore ordered that the Department gives MODIFIED APPROVAL for the execution of a lease with the Warrick County, Indiana - Castle Middle School Building Corporation, providing for the lease of a school building for a term of fourteen (14) years at an annual lease rental of \$5,786,000 commencing on the day the school building is completed and ready for occupancy or June 30, 2009, whichever is later. This modified approval is limited to projects described in file #07-032 as presented to the School Property Tax Control Board and the Commissioner for consideration.

If the construction bids received for the Project are lower than the estimated construction costs presented to the Department, the school corporation and building corporation shall amend the lease to lower the lease rental payments to amounts which will amortize the debt. The debt will be limited to the total of the construction bids, costs of issuance, soft construction costs, and construction contingencies. In total, the costs of issuance, soft construction costs, and construction contingencies shall not exceed the amounts presented to the Department of Local Government Finance for consideration.

To obtain a debt service rate for 2007 pay 2008, the unit must comply with the provisions of I.C. 6-1.1-17-3. In addition, on or before December 31, 2007, the unit must execute the above issue and file with the Department of Local Government Finance a final amortization schedule.

Dated this 11th day of September, 2007.

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

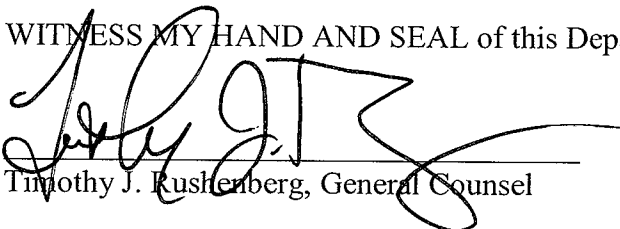
  
Cheryl A.W. Musgrave, Commissioner

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I, Timothy J. Rushenberg, General Counsel for the Department of Local Government Finance, do hereby certify that the above is a full, true, and complete copy of the Order of the Commissioner made this date in the above-entitled matter.

WITNESS MY HAND AND SEAL of this Department on this 11th day of September, 2007.

  
Timothy J. Rushenberg, General Counsel

Ind. Code 5-1-18, requires local units of government to provide debt information to the DLGF not later than December 31 of the year in which the bonds are issued or the lease is executed. In addition, local units of government are also required to annually (before March 1) provide the DLGF with information regarding their outstanding debt obligations. The documents that must be completed can be found on the DLGF website: [http://www.in.gov/dlgr/rates/debt\\_reporting.html](http://www.in.gov/dlgr/rates/debt_reporting.html). Please submit completed documents electronically to [data@dlgf.in.gov](mailto:data@dlgf.in.gov). Questions regarding these documents may be directed to Cheryl Prochaska at (317) 244-4480.